

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

In the Matter of:

JUN 04 2002

THE BLOOD-HORSE, INC.

PUBLIC SERVICE
COMMISSION

COMPLAINANT

v.

Case No. 2002-168

AT&T COMMUNICATIONS and,
VERIZON

DEFENDANTS

AMENDED COMPLAINT

The complainant, The Blood-Horse, Inc. ("TBH"), for its complaint, respectfully shows:

Complainant:

The Blood-Horse, Inc.
1736 Alexandria Drive
Lexington, KY 40504

Defendants:

AT&T Communications of the South Central States, Inc. ("AT&T")
Suite 8100
1200 Peachtree Street NE
Atlanta, GA 30309

Verizon South, Inc. ("Verizon")
P. O. Box 1650
Lexington, KY 40588 1650

1. The Blood-Horse, Inc. ("TBH") is a publishing company located in Lexington, Kentucky.
2. Inter-Tel Technologies, Inc. ("Inter-Tel") is TBH's telephone equipment provider.

3. On or about November 1, 2001, TBH changed local exchange carrier service from Verizon to AT&T. Since that time, it has had two main problems.

4. The first problem TBH is experiencing is the fact that AT&T has not yet delivered Caller ID service for local calls. Currently, TBH only receives this service on long distance calls. This is a key feature that TBH has been waiting for since AT&T became our CLEC.

5. TBH's main complaint concerns the sending and receiving of facsimile ("FAX") transmissions. TBH is a publishing company with weekly, monthly and quarterly magazines. TBH also publishes books that are sold directly to customers. TBH receives subscription and product orders via FAX. Due to Defendants' faulty systems, when receiving FAX transmissions, TBH receives anywhere from 1/4 to 1/2 blank page before the transmission ends but no indication of any error messages. It is frequently impossible to identify the sender of the FAX and/or the specifics of the customer's order. Since TBH is not receiving a full copy of the FAX order forms, it is unable to fill these orders. This has cost TBH an average of \$300 to \$400 a day since November 8, 2001.

6. In addition, when receiving a FAX from TBH, customers receive up to 14 or more duplicate copies of a single page out of a multi-page FAX. Those customers, appropriately, complain to TBH that their FAX machines are running out of paper and that they are missing other important FAX transmissions because of this. This is degrading the TBH professional image considerably.

7. TBH's FAX problems are not predictable but they are consistent. AT&T, Verizon and Inter-Tel have tried their basic trouble-shooting techniques but could not identify any problems. However, AT&T and Verizon have not given the necessary additional attention to

solve this problem, and have not responded to or cooperated with the complainants or PSC Hotline Staff despite numerous requests.

8. TBH and Inter-Tel have provided defendants with all necessary contact information to coordinate a solution but in over six months, none has been reached. The more TBH calls defendants for support, the less responsive they have become. Complete details of the interactions between AT&T, Verizon, Inter-Tel and TBH's in-house communications department and the PSC Staff can be reviewed in the attached document, Exhibit A, incorporated by reference.

9. To help salvage TBH's professional reputation, TBH has installed, at its own expense, a new copper line for use when defendants' services are malfunctioning. However, this is not an acceptable or permanent solution.

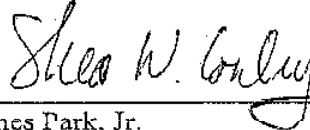
10. Wherefore, complainant asks that AT&T and Verizon be ordered to work together and cooperate with TBH and Inter-Tel pursuant to the terms of the agreement that was the subject of PSC Case No. 96-478 between AT&T and Verizon's predecessor, GTE South, Inc. to resolve TBH's FAX issues as quickly as possible. All available resources should be dedicated to solving this long-standing and persistent problem. If there is not a solution, TBH requests that selected DID numbers tagged for FAXing be ported over to copper at no charge to TBH. TBH has incurred an expense of \$211.00 to install the copper line to temporarily circumvent the lines that are problematic. TBH has also lost an estimated \$38,400 in revenue due to the above-described FAX problems. TBH seeks reimbursement for its losses and expenditures from both defendants. Also, TBH's Caller ID service should be made fully operational immediately.

Dated at Lexington, Kentucky, this 4th day of June 2002.

Complainant:

The Blood-Horse, Inc.
1736 Alexandria Drive
Lexington, KY 40504

Respectfully submitted,



James Park, Jr.
Shea W. Conley
FROST BROWN TODD LLC
250 West Main Street
Suite 2700
Lexington, Kentucky 40507-1749
(859) 231-0000 - telephone
(859) 231-0011 - fax
Attorneys for The Blood-Horse, Inc.

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Work Order

Printed: 04/23/2002

Summary FAX Lines

Requestor Mike Gallenstein
Phone 859-276-6750
Department Network Operations
Location New Media Annex

Responsible Mike Gallenstein
Priority

Completed

Hours

Type Phone System

WS # 983,427
Ext. 6750
Dept # 00000009
Req. Date 11/08/2001 5:06:06PM

Asst. Date 11/13/2001 3:40:42PM
Due Date

Charge \$ 0.00

Description:

11/08/01 -- lmasaoay@bloodhorse.com
I have used another fax all day. However, there is a problem. This is the third such person who cannot get the faxes to go through. First was Blue Grass, Second was Hasset Air (Chicago) and now Hearst in New York. Let me know when it will be resolved.

11/13/01 -- bproctor@bloodhorse.com reported:
Our fax is not working yet. Someone was here yesterday working on the fax. I put copies of this morning's fax on Kristle's desk.

11/15/01 -- shopewell@bloodhorse.com
I received a phone call from Lisa Heider a few minutes ago - she has been trying to fax me a few documents this morning repeatedly and she said they are not going through. This is to our fax machine in Advertising -- please check on it.

11/16/01 -- bproctor@bloodhorse.com
still only receiving half page fax

11/16/01 -- hmiller@bloodhorse.com
We continue to have problems with the 276-6706 fax machine.
PLEASE get it fixed. I sent a client a 2-page ad confirmation (last) evening. They called to say they received 4 copies of the first page and none of the second. After I faxed the second page by itself, they called to say they had received 9 copies of our fax and it was still coming. This makes us look really unprofessional, the clients get mad and we waste our time. Thanks for your help.

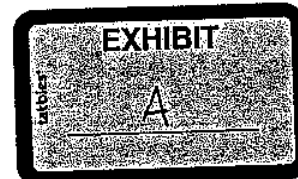
11/26/01 -- lmasaoay@bloodhorse.com
The fax machine still is not working properly. We received only a couple of faxes over the weekend and of those faxes none of them were legible. Only the first 2 inches is coming through. One was a renewal for The Horse and the other two were customers attempting to order from Exclusively Equine. Please let me know what the status is on this. This has been going on for a while now and we are missing orders.

11/26/01 -- sbearse@bloodhorse.com
Let's fix this ASAP. Thank\$. Stacy

11/29/01 -- hmiller@bloodhorse.com
We continue to receive complaints about the fax in this dept., 276-6706.
One of my clients left a voice mail saying that she tried to fax a proof of an ad back and the fax kept ringing without an answer and when the machine finally did answer, her fax to us did not go through. This is very frustrating for both our clients and for us. Please get this fixed.

12/06/01 -- bproctor@bloodhorse.com
No improvement in the faxes, only receiving a portion of any page.

12/11/01 -- knixon@bloodhorse.com
I sent a fax twice today to New York to the same number and each time I



client, they said that my 1-page fax came through 20 times.

12/12/01 -- shopewell@bloodhorse.com

Big surprise, I know! The fax machine in advertising is throwing fits again. Lisa tried to fax all day yesterday and she says at times it just rings and rings. Other times it will send only half a page.

12/12/01 -- emanson@bloodhorse.com

Gretchen.

I guess now, running it through the PRX is not an option. How much does AT&T charge for additional direct lines? Have we resolved our other fax issues?

12/17/01 - knixon@Bloodhorse.com

I sent a fax today (12/17/01) to New York and my client called to tell me they received 20 copies. I still have not received a confirmation sheet from the fax machine to say it went through, but I cancelled the transmission. This happened to the same fax number on December 11, about which I emailed you.

12/19/01 - bproctor@bloodhorse.com

Received a 1/4 page fax at 1:10 today.

12/19/01 - bproctor@bloodhorse.com

Another partial fax 2:00.

12/19/01 - abrumen@bloodhorse.com

The fax machine is sending multiple copies again. Also, the fax is not fully transmitting. Only half of the page goes through or just the top.

12/26/01 -- kacres@bloodhorse.com

Lori asked me to email you to let you know that the fax machine is still not working. It is still only printing the top 1/3.

01/02/02 -- ekistr@bloodhorse.com

FYI - Still having difficulty receiving faxes on Fax # 276-6708. Faxes are cutting off.

01/02/02 -- bproctor@bloodhorse.com

FAX # 276-6743

01/10/02 -- shopewell@bloodhorse.com

The fax machine in advertising is again freaking out. I am getting calls from people who are receiving 20 pages of nothing ... and others who are not receiving my fax at all.

01/11/02 -- dmclean@bloodhorse.com

Only receiving half-faxes on IKON.

01/15/02 -- pstayton@bloodhorse.com

It's happening again!!! I had a screaming client saying "STOP YOUR FAX". I'm getting 10 copies of the same thing.

01/15/02 -- madaway@bloodhorse.com

I am getting yelled at by my customers they are getting 15 pages of each fax I send them. sometimes they get the first 3 pages 12x and never get the last. I have not e-mailed you before but this is happening so often hopefully something will be done.

01/15/02 -- pstayton@bloodhorse.com

I asked Michelle Adaway to give me some numbers and she said it is happening to a lot of her clients and she did not give me any particular one. I asked her from here on out to please write the number down as the client complains. I will also send an email to "Advertising Department" telling them to do the same. Kathy Taylor, Capstone Enterprises (352) 622-6616 fax number is the complaint I got this morning

APR-23-2002 14:16

TBH NEW MEDIA

606 276 6831 P.03/06

11/16/02 -- lmasanay@bloodhorse.com
Just checking to see if we are making any progress with this fax problem. We are still only seeing the top 1/3 of a page. Thanks

02/25/02 -- runningham@bloodhorse.com
Receiving only half of the page faxes.

02/28/02 -- kpautz@bloodhorse.com
Receiving quarter and half pages from FAX machine.

03/04/02 -- shopewell@bloodhorse.com
our fax machine in Advertising is sending multiple copies again - I just had a customer call to tell me she received 4 copies of the first page, 4 second copies of the first page, then 4 copies of the last page. She was pretty upset I was "wasting all her paper" on a two page fax.

03/08/02 -- shopewell@bloodhorse.com
Have gotten three calls today from people who say our faxes are coming through half way and stopping. We are faxing ALOT today to approve ads for the Horse Source.

03/08/02 -- shopewell@bloodhorse.com
I have received a call from a client who has been trying to fax an approval on an add since lunchtime. She says our fax "rings and rings" and never answers. I am awaiting for approximately 50 ads to be approved by fax this afternoon.

Fax machine is sending multiple copies to recipients AGAIN and they are calling getting 5 of the first page and none of any other page

I've gotten four more calls from clients receiving the cover page 12 times and no other pages. A couple more have called to say they are trying to SEND something and they get busy signals

03/15/02 -- lbeider@bloodhorse.com
Obviously nothing has changed at the Blood-Horse since I've been gone. The fax machine is still not working properly. I'm not sure if you have other complaints on sending or receiving but all this week, when I'm faxing to 859-276-6706 one out of three faxes DOES NOT go through. I also had Hamilton Research tell me this morning they had problems yesterday.

03/18/02 -- shopewell@bloodhorse.com
Brenda from Hamilton Research just called me. I sent her a 3 page fax and she has gotten 1 of the first page, 14 pages of page 2 and none of page three.

03/18/02 -- shopewell@bloodhorse.com
Just got an excited phone call from Leonie at Equigym - I had faxed her the ad for the Horse Source for her approval and she got 14 copies of the first page and 9 of the second. Since we faxed her Friday the same ad and she also got numerous copies, she is considering sending up a bill for a ream of paper. She was laughing/kidding about it - but did make a point that this is becoming a habit.

03/29/02 -- lmasanay@bloodhorse.com
Just checking...is there any progress on the fax? Let me know when you have a chance.

Resolution:

Lori, there has been a call in on this since yesterday when Bonnie reported it. I don't know when it will be fixed. -- 11/09/01 GS

Ekon came and determined that the fax machine is working fine, the trouble seems to be in the phone lines, or the PBX system. -- 11/12/01 GS

Verizon tested 276-6743 and they say the lines are fine, they don't see any problems with it. -- 11/13/01 GS

Contacting AT&T, Verizon and Inter-Tel. Not enough resources available to "bitch" down their throats 3-5 times a day. Will seek volunteers to take on this responsibility. -- 11/13/01 MAG 15:44

APR-23-2002 14:17

TBH NEW MEDIA

606 276 6831 P.04/06

Called Inter-Tel and told them we had Duplicator come and replace the board as well as Verizon checking specific numbers, and they were all pointing back to the PBX. Left message on service line VM. -- 11/15/01 GS

Will contact the PSC on Monday to file an unsatisfaction report on our CLEC & our LEC. -- 11/16/01 MAG 16:53

Held off calling the PSC after conversation with Larry Stern. Inter-Tel tested FAX lines on 11/21/01 and all tested clean. Inter-Tel has offered to work with AT&T for a solution if problem persists. -- 11/26/01 MAG 08:54

Talked with lmassey@bloodhorse.com and have come up with a plan to put a little pressure on the telcos to get this fixed. Each day we will email the an estimate of how much we loose due to this problem. This should make it tangible enough for them to expedite a solution -- 11/26/01 MAG 11:25

Contacted Larry Stern of AT&T so they can hook up with Inter-Tel if necessary. -- 11/26/01 MAG 12:33

Attempted to open a trouble ticket with AT&T [last] night. Brad at AT&T said they do not have control over the circuit and that we need contact Verizon. When we contacted Sherry at Verizon, she checked with her supervisor, Barry, and he reported that the numbers were being handed off to AT&T and to check with them. Contacted Larry Stern (our account manager) to see if we can get the correct information to the AT&T support center so we can open a trouble ticket with them. -- 11/27/01 MAG 09:43

AT&T Trouble Ticket# IN2702934. We can call 800-222-1000 for an updated status. -- 11/27/01 MAG 15:23

Pete at AT&T reported nothing looked out of the ordinary. They said they may need to work with our vendor (Inter-Tel) to perform some diagnostics and see if there are any errors or bi-polar violations. -- 11/28/01 MAG 09:13

Bob at AT&T is going to do a hard core test of the T1 after 6:30PM tonight -- 11/28/01 MAG 16:50

Talked to Bill Hester at Inter-Tel. The information AT&T needs will require a technician on site to assist. He is going to call tomorrow for when they can get one here. -- 11/28/01 MAG 17:07

Called to get status of testing. CSR reported that AT&T Verizon started their stress testing at 7:57PM EST. -- 11/28/01 MAG 21:15

Bob at AT&T finished testing T1. When looping the CSU (our phone equipment) there were intermittent error about every 3-5 minutes. All NIU (the box on the wall) testing was OK. They suspect a cabling problem between the NIU and the CSU. 11/29/01 MAG 08:11

AT&T dispatched a tech from Verizon on 11/29/01. At approximately 20:00 they performed a test on the lines and verified everything was working up to the smart-jack. Inter-Tel is scheduled to be here 11/30/01 to work with AT&T to help resolve any problems between the CSU and NIU. 11/30/01 MAG 08:51

Called AT&T for a status update. Everything has tested clean up to the smart-jack. I notified them that our vendor will be in today to contact them to get this resolved. They indicated that we were to be billed for the tech that was dispatched here, even though I do not recall authorizing this. 11/30/01 MAG 09:45

Contacted Larry Stern to talk about this tech dispatch. Unfortunately I do not have the voice mail where Bob from AT&T said he would dispatch a tech. He is going to be looking in to it especially since the tech was on hold for 2 hours waiting for AT&T to get on the line so she could do the testing. 11/30/01 MAG 09:59

On 11/29/01 Gretchen OK'ed tech to come in. Willing to split the difference on the cost of the Verizon tech due to the 2 hour hold time waiting for AT&T techs to get on the line. 11/30/01 MAG 10:25

On 11/30/01 Inter-Tel came in and talked to AT&T while on premise. Danny concluded that we needed a new T1 card. It should be here Monday. 12/02/01 MAG 11:51

On 12/03/01 Danny from Inter-Tel called and said he had to order the T1 card and it should be in the office tomorrow morning. GHS 10:20

On 12/04/01 Danny from Inter-Tel called and said he had spoken to the place that ships the cards and it had not been sent yet, he says he will be here in the office tomorrow morning. GHS 1:01

New T1 card & cable replaced on 12/05/01 -- 12/06/01 MAG 12:06

Checked phone system diagnostics this morning. We are still receiving BPVs and CRC errors. I do not know if they are in acceptable levels or not. It appears our problem is still here however. Will notify Inter-Tel and AT&T. 12/06/01 MAG 12:08

APR-23-2002 14:17

TBH NEW MEDIA

606 276 6831 P.05/06

costing us \$300-\$500 in sales a day because of the continued FAX problem. Will discuss alternatives with him upon his return. --
12/11/01 MAG 09:45

Contacted CT Innovations (a third party supporter of Inter-Tel products) to see if they have any ideas on how to resolve our problem.
12/11/01 MAG 15:45

Lisa Heider emailed to say that she has been trying to fax all morning to 6706 and it won't go through, she keeps getting errors. I told her to fax to admin for now and that I'd report the problem. 12/12/01 GHS 9:28

Danny from Inter-Tel called and left a message on my voice mail that he would be in our office on Tuesday to check out the fax machines and he never showed up. 12/12/01 GHS 9:30

Spoke with Larry Sturm about getting direct lines put in and the problems we are still having. He is going to call and see what he can get resolved from his end and get back to us. 12/12/01 GHS 14:38

Talked to Charlie Peck. Danny is supposed to replace some more equipment (another T1 card and possibly the single-line card for analog lines). Notifying AT&T to keep the ticket open, in case Inter-Tel has to work with them some more. 12/17/01 MAG 14:03

12/18/01 Danny replaced 2nd T1 card today

12/19/01 Chuck made some programming changes to our T1 card and trucks. He fixed the night problem and hopefully the fax problem as well. He brought a single line card to replace, but it turned out to be too new of a version. Wants us to monitor it all for a couple of days.

Left a message with Charlie Peck, the Inter-Tel service manager. Notified him again that we are loosing \$300-\$500 per day because of this FAX problem. Only solution I see in the near future is to install a dedicated FAX line and migrate it. 12/27/01 MAG 14:27

Talked to Charlie Peck, said we could isolate the number on copper again with no problem. The phone system would have no problems with it. We will proceed with this plan. He also said we need to get a meeting with Verizon, AT&T and Inter-Tel onsite to get this resolved. I think I may skip the nice route and go straight to the PSC for this. I feel like I'm getting the run-around. Contact vlsmith@mail.state.ky.us -- 01/02/02 MAG 13:55

Talked to Larry Sturm of AT&T. He said that if we call Verizon and tell them to port the number over, every thing should go pretty smooth. -- 01/02/02 MAG 16:38

Talked to Susan Pennington at Verizon (888-571-3971 ext. 4087) to arrange for 6743 to be ported over to copper. Said she will submit the order and we should get a confirmation in a couple of days. If we don't hear anything by then, call her or her assistant Kim Good. -- 01/08/02 MAG 12:08

Susan Pennington at Verizon (888-571-3971 ext. 4087) tried to enter in our order but it was rejected. She said they couldn't do it because the 859-276-6743 was not owned by them. This is the final straw. PSC here I come. -- 01/10/02 MAG 10:11

Called Ginny Smith with the PSC and reported our problems. Investigation is now under way. -- 01/10/02 MAG 10:21

Sent copy of this work order to Ginny Smith. -- 01/14/02 MAG 10:27

Received call from AT&T. They were inquiring more about our problem. Requested examples of number that we having problems with. Received numbers from bproctor@bloodhorse.com for received problem faxes. Waiting on numbers from pstayton@bloodhorse.com for outgoing problems. -- 01/15/02 MAG 11:09

Left message at 800-222-5102 with AT&T about the numbers we are having problems with. -- 01/15/02 MAG 12:57

AT&T called back and acknowledged they got my voicemail and requested all of our FAX DIDs. I reported 6706,6829,6743,6868,6831,6708. Said they would hand over this information over to their techs so they can begin looking in to the matter. -- 01/15/02 MAG 13:59

Verizon called back and said that they had heard from PSC and that they would look into the matter. I spoke with Sue at 1-800-483-7988 Option 3 who says she is going to call Larry Sturm and Charlie Peck and try and arrange a meeting of all three to hash out the problems. I told her I felt the problems started when we ported our lines through AT&T and that our other fax lines that do not go through our T1 worked fine. -- 01/16/02 GHS 9:43

FAXed a fax to a sample number with AT&T tech on the phone. -- 01/18/02 MAG 15:22

Talked to Diane at AT&T. She is going to open a new ticket so that a tech will arrange a meet between AT&T, Verizon and Inter-Tel here

Talked to Diane at AT&T. She said the tech camped on our line and monitored the lines and saw the call fail at our equipment. I explained to her that our vendor wants to meet with AT&T and Verizon to get this resolved. She left a note on the ticket (212-303506) that that is what we need done. -- 01/24/02 MAG 10:43

Talked to Charlie Peck at Inter-Tel. Told him that we have begun arranging the meet he suggested and have him the Verizon and AT&T contact so that he can arrange the meet. Told him to just let me know when they would all be here. -- 01/24/02 MAG 10:46

Talked to Tony at AT&T tier 2 support. He said that the only thing he saw that hasn't been tried is to set the signalling to -16db. He explained that AT&T runs "hotter" than most networks and LECs. Setting our equipment in this way should improve things. -- 01/24/02 MAG 14:41

Left message with Charlie Peck of Inter-Tel about AT&T's suggestion -- 01/24/02 MAG 14:44

Beverly Hill from AT&T said that she is closing our case (but not our trouble ticket 212-303506) because all of the test AT&T have done are proving "time and time again there is no problem with us." I told her that is fine and that if we have any more problems we can just call the PSC back. -- 01/25/02 MAG 11:52

Left message with Charlie Peck to confirm that the signalling was set to -16db per AT&T's recommendations. -- 01/29/02 MAG 09:15

Talked to Charlie Peck with Inter-Tel. He walked me through changing the signalling to -15db (which is the closest setting we have to AT&T recommendation). He said that if we start to drop voice calls to change it to -7.5db. -- 01/31/02 MAG 09:30

Changing the signalling per AT&T's recommendation did not work. We will be porting the number back over to copper. -- 02/05/02 MAG 11:29

Sent email to Ginny Smith at the PSC. I detailed the Verizon and AT&T responses and told her that we now just want the phone number ported over to copper. I also told her about how AT&T told us to contact Verizon and Verizon said there was nothing they could do because they didn't own the number. Hopefully she will be able to assist us in getting this done. -- 02/05/02 MAG 16:12

Sent email to Ginny Smith of the PSC for a status update. -- 02/11/02 MAG 10:36

Her response: I spoke with AT&T and Verizon on Friday and explained there is to be a meeting between AT&T, Verizon and the vendor. They should be contacting you about the meeting. -- 02/11/02 MAG 10:40

Notified the PSC that I would be out of town 19th-21st and to contact Gretchen to arrange for one of our DID number to be ported over to copper. -- 02/18/02 MAG 08:27

Received update from vsmith@mail.state.ky.us. AT&T stated "The Maintenance Group stated that there would be a need to check with Sales Group regarding changing the line to cooper that there will be a cost associated with that as its labor intensive. I will update you on that possibility as soon as I receive the information." Given that, we are proceeding with our plans to file a formal complaint. -- 03/13/02 MAG 16:43

Almost completed the first draft of our formal complaint. -- 03/18/02 MAG 10:43

Sent formal complaint to PSC. -- 03/20/02 MAG

Complaint received and logged at PSC -- 03/28/02 MAG 08:27

Talked to Jeb Pinney and attorney for the PSC. Said that since we are a business we needed to have a licensed counsel sign the complaint as well. Notified Chuck of this and he will be contacting the TBH lawyer to send in an ammended complaint with his signature. -- 04/02/02 MAG 14:17

Installed copper line from Verizon in order for our Advertising staff to reliably be able to send and receive FAXs. -- 04/09/02 MAG 13:34